



April 15, 2019

Ms. Susan Hsieh, Finance Director  
City of Emeryville  
1333 Park Avenue  
Emeryville, CA 94608

Dear Ms. Hsieh:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Emeryville Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 25, 2019. Finance has completed its review of the ROPS 19-20.

Based on a sample of line items reviewed and application of the law, Finance made the following determinations:

- Item No. 121 and 123 – Environmental Oversight and Professional Services Agreement in the total outstanding amount of \$150,000 and \$2,995,000, respectively, is not allowed. The Agency has executed new agreements for these two new items without approval from the Oversight Board (OB). The Agency should submit both agreements to the OB for review and approval. Once the corresponding OB resolutions are submitted to Finance for review and approval, these items may be eligible for funding on a subsequent ROPS. Therefore, the requested amounts of \$75,000 and \$2,995,000, respectively, in Redevelopment Property Tax Trust Fund (RPTTF) are not allowed.
- Item No. 122 – Imminent and Substantial Endangerment Order in the total outstanding amount of \$150,000 is not allowed. It is our understanding the obligation is related to reimbursing a third-party for costs incurred. Documents were not submitted to support the third-party had incurred any costs requiring a reimbursement. Therefore, this item is not an enforceable obligation and the requested amount of \$150,000 in RPTTF is not allowed.
- Item No. 124 – Environmental Insurance Policy in the total outstanding amount of \$175,000 is not allowed. The property associated with the insurance policy was approved for transfer to the City of Emeryville during Finance's review of the Agency's Long-Range Property Management Plan. As such, any costs associated with the property not related to remediation is the City's responsibility. Therefore, this item is not an enforceable obligation and the requested amount of \$175,000 in RPTTF is not allowed.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 3 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on our website:

[http://dof.ca.gov/Programs/Redevelopment/Meet And Confer/](http://dof.ca.gov/Programs/Redevelopment/Meet%20And%20Confer/)

The Agency's maximum approved RPTTF distribution for the reporting period is \$13,813,980 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

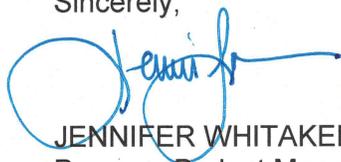
<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 19-20 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from RPTTF is the same as the amount of property tax increment available prior to the enactment of redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in RPTTF.

Please direct inquiries to Cindie Lor, Supervisor, or Satveer Ark, Lead Analyst, at (916) 322-2985.

Sincerely,



JENNIFER WHITAKER  
Program Budget Manager

cc: Mr. Michael Guina, City Attorney, City of Emeryville  
Ms. Carol S. Orth, Tax Analysis, Division Chief, Alameda County

**Attachment**

<b>Approved RPTTF Distribution</b>			
<b>For the period of July 1, 2019 through June 30, 2020</b>			
	<b>ROPS A Period</b>	<b>ROPS B Period</b>	<b>ROPS 19-20 Total</b>
RPTTF Requested	\$ 4,366,000	\$ 13,444,905	\$ 17,810,905
Administrative RPTTF Requested	201,565	201,565	403,130
<b>Total RPTTF Requested</b>	<b>4,567,565</b>	<b>13,646,470</b>	<b>18,214,035</b>
<b>RPTTF Requested</b>	<b>4,366,000</b>	<b>13,444,905</b>	<b>17,810,905</b>
<u>Adjustments:</u>			
Item No. 121	(37,500)	(37,500)	(75,000)
Item No. 122	(75,000)	(75,000)	(150,000)
Item No. 123	(1,500,000)	(1,495,000)	(2,995,000)
Item No. 124	(175,000)	0	(175,000)
	(1,787,500)	(1,607,500)	(3,395,000)
<b>RPTTF Authorized</b>	<b>2,578,500</b>	<b>11,837,405</b>	<b>14,415,905</b>
<b>Administrative RPTTF Authorized</b>	<b>201,565</b>	<b>201,565</b>	<b>403,130</b>
<b>Total RPTTF Authorized for Obligations</b>	<b>2,780,065</b>	<b>12,038,970</b>	<b>14,819,035</b>
Prior Period Adjustment	(1,005,055)	0	(1,005,055)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 1,775,010</b>	<b>\$ 12,038,970</b>	<b>\$ 13,813,980</b>